

Diane Francis: Canada is on an economic road to nowhere

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Who's going to look after Canada's economic wellbeing for the next five years? Canada slips and there's nobody to catch it, not Parliament or other levels of government. The Liberals spent five years variously pandering to environmental, regional or anti-capitalist interests. Now in a minority position, the situation will worsen.

The country's governance, like a 100-car pile-up, is a tangled mess that is transiting out of the free enterprise system every year.

The Liberals have adopted a soak-the-rich taxation approach and swallowed whole the green's concocted "Climate Change Emergency." As a result, Canada has missed out on what The Economist labelled the recent, half-decade global "jobs boom."

Deficits were supposed to disappear but have soared. Jobs and unemployment calculations are suspect and include so-called "part time" and "self-employed jobs." For instance, before the Oct. 21 election Ottawa claimed that job gains hit 81,000 in August, then another 54,000 in September. Then suddenly, post-election, gains turned into losses of 1,800 in October and 71,000 in November, the biggest decline since the financial meltdown in 2008.

Since 2015, median income has increased only \$38 a year under the Trudeau regime, compared with \$428 a year increases under Prime Minister Stephen Harper (even though he had to steer through the financial meltdown.) Consumer debt has become the highest in the G7, because Ottawa has not cracked down on illicit capital flows into condos in Toronto and Vancouver, which has helped drive housing prices to excessive levels.

The private sector is embattled. In 2019, the World Bank's "Ease of Doing Business" report found that it takes 249 days to obtain all the necessary permits to build a new warehouse in

Canada — 160 days more than in the United States, the only country Canada really competes against for capital.

And how long does it take to obtain a permit to build needed infrastructure? Ask Kinder Morgan and hundreds of other corporations who have left because impediments turned into all-out obstructions.

Overall, the World Bank's "Ease of Doing Business" report ranked Canada 23rd out of 190 countries, but this has fallen from fourth in 2006. Meanwhile, New Zealand is first; Singapore second, and the United States ranks sixth.

Canada ranked 64th in getting permits and the U.S. 24th; Canada ranked 124th in providing electricity to businesses and the U.S. 64th; and Canada ranked 100th in enforcing contracts and the U.S. 17th.

Other job-killers include anti-resource development laws (C-48 and C-69); the NGO and the federal government war against fossil fuels and mining; and interventionist labour laws, red tape, and excessive "green" energy regulations. Last year, the country's biggest export sectors were slammed. General Motors shuttered operations in Oshawa, forestry laid off thousands, and Alberta lost thousands of oil-related jobs.

Among the 34 OECD (Organization of Economic Co-Operation and Development) members, Canada has the highest regulatory burden and the lowest investments in machinery, equipment, and intellectual patents.

Interprovincial trade barriers worsen. British Columbia should not be able to block oil pipelines just as Quebec should not have been able to block transmission lines from Atlantic Canada. Recently, after years, a natural gas pipeline route had to be approved — in order to bypass Quebec via the U.S. — to deliver Alberta natural gas to a Nova Scotia LNG project.

Regulators, special interests, and politicians did not hoist this country into the economic big leagues and the G7. Business, entrepreneurs and opportunities did. Now, in GDP terms, Canada is behind India and Brazil in size and will soon be overtaken by Russia and South Korea.

It's all very tragic given Canada's track record, potential and talent. In the absence of smart economic leadership, Canada will become a road to nowhere.

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